AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2426

Introduced by Assembly Member Galgiani

February 24, 2012

An act to amend Section 211 of the Military and Veterans Code, relating to the National Guard. An act to add Article 6.5 (commencing with Section 999.30) to Chapter 6 of Division 4 of the Military and Veterans Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2426, as amended, Galgiani. National Guard: reorganization. *Public contracts: veterans preference.*

Existing law requires state departments that award specified types of contracts to establish a 3% participation goal for certified disabled veteran business enterprises, as defined. Existing law makes it a crime to, among other things, willfully make false statements or to fraudulently obtain certification as a disabled veteran business enterprise, as specified.

This bill would allow a bid preference, as provided, to a bidder of a public works contract if that bidder utilizes the Helmets to Hardhats program administered by the Center for Military Recruitment, Assessment, and Veterans Employment, as specified. This bill would require that the bidder and each listed subcontractor submit a certified statement, as specified, and would impose a civil penalty, as provided, for knowingly providing false information in that statement. This bill would also make various legislative findings and declarations.

Existing law provides that the Governor may alter, divide, annex, consolidate, disband, reorganize, or create any organization, department,

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or corps when required by law or whenever, in the Governor's judgment, efficiency of the State forces would increase.

This bill would make nonsubstantive, technical changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the 2 following:
 - (a) There are a tremendous number of returning veterans who have served the United States honorably in the different branches of the United States military.
 - (b) Facilitating the reentry of these returning veterans into the private sector job market makes economic sense for these veterans, their families, and for the economy of California as a whole.
 - (c) Many of these returning veterans have procured skills that translate very well into the varied trades and crafts of the construction industry.
 - (d) The Building and Construction Trades Department in Washington, D.C., runs a program called Helmets to Hardhats, whose sole purpose is to help returning veterans who are interested in careers in the construction industry with the transition from soldier to private sector employee.
 - (e) The Helmets to Hardhats program has been recognized by employers as an excellent resource for returning veterans to enter the private sector job market as construction workers.
 - (f) Employers and unions throughout the United States have agreed to utilize the Helmets to Hardhats program and have agreed to coordinate with the Center for Military Recruitment, Assessment, and Veterans Employment to create and maintain an integrated veterans database of veterans interested in working in the construction industry.
- SEC. 2. Article 6.5 (commencing with Section 999.30) is added to Chapter 6 of Division 4 of the Military and Veterans Code, to read:

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Article 6.5. Helmets to Hardhats

- 999.30. For purposes of this article, "Helmets to Hardhats" means the Center for Military Recruitment, Assessment, and Veterans Employment program funded out of the grant program administered by the Department of Defense and initiated in the 2003 Department of Defense Appropriations Act (Public Law 107-248).
- 999.31. (a) When a state agency awards a public works contract to the lowest bidder or lowest responsible bidder, the state agency shall provide a 5-percent bid preference to a bidder that utilizes Helmets to Hardhats, which assists veterans with entry into the construction industry by providing preliminary orientation, assessing construction aptitude for referral to apprenticeship programs and hiring halls, and offering counseling, mentoring, and employment opportunities, pursuant to Section 999.32.
- (b) A bidder shall be entitled to claim the bid preference only if the bidder and each listed subcontractor qualifies for the bid preference.
- (c) The preference shall be calculated by reducing the bid by 5 percent of the bid of the lowest responsible bidder, for purposes of comparing the bid with competing bids.
- 999.32. A bidder or subcontractor qualifies for the bid preference under this article only if, during the 12-month period immediately preceding submission of the bid, the bidder or subcontractor utilized Helmets to Hardhats.
- 999.33. A bidder or subcontractor receiving a bid preference under this article shall utilize Helmets to Hardhats for not less than one year following acceptance of the bid.
- 999.34. A bidder shall claim the bid preference under this article by submitting a separate statement certifying that the bidder qualifies for the bid preference, and by submitting a separate statement from each listed subcontractor certifying that the subcontractor qualifies for the bid preference.
- 999.35. (a) A person or entity that knowingly provides false information in the certification required by this article shall be subject to a civil penalty for each violation in the minimum amount of two thousand five hundred dollars (\$2,500) and the maximum amount of twenty-five thousand dollars (\$25,000).

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(b) An action for a civil penalty under this section may be brought by any public prosecutor in the name of the people of the State of California.

999.36. (a) If the winning bidder has claimed a bid preference under this article, then, at the request of the state agency, the bidder and each listed subcontractor shall supply to the state agency records sufficient to show that the bidder is entitled to the preference. The failure to supply the records within a reasonable time shall result in denial of the bid preference.

(b) If the winning bidder is denied the bid preference because of the failure of a listed subcontractor to establish entitlement to the bid preference, the winning bidder shall be granted 14 days to substitute a new subcontractor that is entitled to the bid preference, and the original subcontractor shall be liable to the winning bidder for any reasonable increase in the cost of a new subcontract.

SECTION 1. Section 211 of the Military and Veterans Code is amended to read:

211. The Governor may alter, divide, annex, consolidate, disband, or reorganize any organization, department, or corps and ereate new organizations, departments, or corps when required by the provisions of this division or whenever, in his or her judgment, the efficiency of the state forces will be thereby increased.

The Governor may also change the organization of any organization, department, or corps so as to conform to any system of drill or instruction prescribed by the laws of the United States for the National Guard and for that purpose the number of the officers and noncommissioned officers of any grade may be increased or diminished and the grades of these officers and noncommissioned officers may be altered to the extent necessary to secure this conformity.